

BEFORE THE
STATE OF SOUTH CAROLINA
PUBLIC SERVICE COMMISSION

IN RE:

Application Regarding the Acquisition of
Progress Energy, Incorporated by Duke
Energy Corporation and Merger of
Progress Energy Carolinas, Incorporated
and Duke Energy Carolinas, LLC

Docket No. 2011-158-E

**PETITION TO INTERVENE
ON BEHALF OF
THE CITY OF ORANGEBURG, SOUTH CAROLINA**

Pursuant to Public Service Commission Rule 103-825, 23 S.C. Code Ann. Regs. 103-825, and other applicable provisions of the Commission's Rules of Practice and Procedure, the City of Orangeburg, South Carolina ("Orangeburg") hereby files this Petition to Intervene in the above-captioned proceeding. In support of this Petition, Orangeburg states as follows:

1. By application dated April 25, 2011, Duke Energy Corporation ("Duke") and Progress Energy, Inc. ("Progress"), on behalf of their electrical utility subsidiaries, Duke Energy Carolinas LLC and Progress Energy Carolinas, Inc., submitted to the Commission the "Application of Duke Energy Corporation and Progress Energy Inc. to Engage in a Business Combination Transaction."

2. According to the Application, Duke and Progress have entered into a business combination agreement in which Duke will acquire all of the issued and outstanding common stock of Progress in exchange for shares of Duke's common stock. *See* Notice of Filing (May 6, 2011). The Application states that the Duke-Progress

business combination transaction will occur at the holding company level. *Id.* Progress will become a subsidiary of Duke, and both Progress and Progress Energy Carolinas, Inc. will continue to operate as separate legal entities. *Id.* Under the proposal, Progress Energy Carolinas, Inc. and Duke Energy Carolinas, LLC will be merged into a single legal entity in the future. *Id.*

3. The Commission has assigned Docket No. 2011-158-E to the Application and, by notice issued May 6, 2011, has provided for a public hearing to be scheduled at a later date. *Id.*

4. The City of Orangeburg is a municipality of the State of South Carolina with a population of approximately 13,000. Through its enterprise function, the Orangeburg Department of Public Utilities (“Orangeburg DPU”), Orangeburg serves the electric power needs of approximately 25,000 residential, industrial, and commercial customers in the City of Orangeburg and greater Orangeburg County—about 75,000 people. Orangeburg DPU has an annual peak load of approximately 190 MW and purchases most of its power supply requirements from South Carolina Electric & Gas Company (“SCE&G”). Following the expiration of Orangeburg’s power supply agreement with SCE&G, on December 31, 2022 (or December 31, 2023, if extended), Orangeburg will be a potential customer of Duke or Progress. As a potential customer of those companies, the merger between them will impact Orangeburg’s access to power supply at reasonable rates.

5. Because the subject matter of the Application under review in this docket impacts Orangeburg’s access to future power supply at reasonable rates, Orangeburg has a substantial and material interest in the subject matter of this proceeding. Therefore,

pursuant to Commission Regulation 103-825(A)(3), 23 S.C. Code Ann. Regs. 103-825(A)(3), Orangeburg should be permitted to intervene and participate fully in this docket and any hearing that may be scheduled in this matter.

6. Granting Orangeburg's request to intervene in this proceeding is in the public interest, is consistent with the Commission's policy to encourage maximum public participation on issues before it, and should be allowed so that a full and complete record can be developed.

7. Orangeburg's authorized representatives for purposes of this docket, to whom communications regarding this matter may be made, are:

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Peter J. Hopkins	Director, Electric Division
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WHEREFORE, Orangeburg prays that it will be allowed to intervene in this docket and all proceedings incident thereto, including the right to: appear as a party; engage in discovery; make motions; participate in hearings by offering testimony and exhibits, and cross-examining witnesses; and receive service of all notices, documents, exhibits and data submitted by all parties and the Commission's staff.

Respectfully submitted,

/s/ Pablo O. Nüesch

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May 12, 2011

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing document to be served on the parties listed below by electronic mail or facsimile:

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Dated this 12th day of May, 2011, at Washington, DC.

/s/ Pablo O. Nüesch

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